

**EHR Loan Fund Workgroup Meeting Notes**  
**May 28, 2009**

**Attendance:** 57+ people attended the workgroup meeting

**Presentation – Jonah Frohlich**

- This was the 3<sup>rd</sup> seminar. Need to make the final plan in about 3 months. Need to move quickly
- Mission: To create a state-wide loan fund to support EHR (and HIE?) adoption
- Selecting 3 co-chairs for the subcommittees
  - Kathy Ko – one of the co-chairs
    - Worked with major private donors
    - Oversight of many loan programs
  - 2 more co-chairs (TBD)
- Introduced the consultants
  - Lynn Barr (MPH) and Iftikhar Chaudhry (MBA candidate/Intern)
  - Help with strategic planning and provide support to the committees

**Communication Tools**

- Website ([www.hie.ca.gov](http://www.hie.ca.gov))
- Questions: [hie@chhs.ca.gov](mailto:hie@chhs.ca.gov)
- Listserv ([EHRLoanFundWG@maillist.dhs.ca.gov](mailto:EHRLoanFundWG@maillist.dhs.ca.gov))
- Calls/Webinars – to be scheduled (Doodle)
- Wiki – collaboration and document management

**Review of HITECH**

- HITECH provides competitive grants to states and Indian tribes for loans to support EHR adoption and meaningful use. To qualify must:
  - Meet federal requirements and have a strategic plan
  - Establish a loan fund and provide capital to providers who meet federal requirements, which include:
    - Submit Federally mandated quality measures;
    - Acquire a certified EHR product that is capable of meeting health information exchange requirements;
    - Submit a plan describing how they will maintain and support the acquired EHR; and,
    - Agree to provide matching funds
  - The strategic plan must:
    - Identify the intended uses
    - Specify amount of the loan fund
    - describe a list of projects to be assisted through this program
    - Identify methods and criteria for funds disbursement

- Describe the financial status of the fund
- Identify the short and long term goals of the fund
- May be used to purchase EHR systems, enhance utilization of systems & train personnel
- Match of \$1 for every \$5 of federal

## **Background**

### Loan Workgroup Charter

- To develop a strategic plan for establishing an EHR loan fund and to position and prepare California stakeholders to receive federal loan funding to launch and support the effort.

### Three objectives of the Loan Fund:

- Provide capital to assist clinicians and hospitals purchase/upgrade certified EHRs
- Provide capital to support HIE
- Define return on investment and solvency requirements for the Loan Fund

### Loan Fund Committee Setup

- Subcommittee for each of the stated goals and each subcommittee will have a co-chair
  - Subcommittee One – Capital for clinicians and Hospitals
  - Subcommittee Two – Capital for HIE Support
  - Subcommittee Three – Return on Investments
    - AMENDMENT: Subcommittee 3 needs to have more expansive charter, include governance, sustainability, transparency, fair access

## **Timeline**

- June 8 – start subcommittee meetings – 90 minute meetings
  - Need to create a time lines and next steps
- July 13 – have a summit – put together all subcommittees and workgroups together to put together a plan – In person and online
- August 1<sup>st</sup>, submit refined plan to advisory Board
- End of august – complete the process and publish the results
- Phase 2 - Sept through November – Submit Grant
- Phase 3 – November onward – Implement Program

### Questions raised by Jonah:

Do we need to have another subcommittee?

Do we have the right process?

Do we need a committee for governance?

## **Q&A**

Q: Tricia Winchoice, CHFA – Are we going to differentiate between non-profit and for-profit and put forward CHFA loans?

A by Jonah: I would expect that we would be interested in segmenting the market into for-profit and non-profit, by hospital, clinics and practices, and then prioritize; we could use your expertise and welcome your help.

Q: David Ford, CMA – Interested in sub com 1 – define the market and the need – CMA and other societies want to help. \$20 billion gets a lot of attention.

A by Jonah: We could use help coordinating activities with all of the medical societies. We need to know what other medical societies and associations are doing so we don't trip over each other

Cindy: The study done from HITFAC– has it been considered? – Dr. Miller.

A: We will not reproduce the work. The document is posted at:

[http://www.chhs.ca.gov/initiatives/HealthInfoEx/Documents/HITFAC\\_FINAL\\_REPORT\\_6.pdf](http://www.chhs.ca.gov/initiatives/HealthInfoEx/Documents/HITFAC_FINAL_REPORT_6.pdf)

We would like to reconvene the commission, can use the report as a baseline. Will send out link to list-serve.

Andie Martinez, CPC. How do funds overlap between Medical and Medicare. What is the timeline for disbursement?

A: Loan funds will provide capital, then HITECH incentives come after providers demonstrate meaningful use of the EHR. Needs to be defined in a subcommittee and needs to be discussed. Upfront payments may happen for Medicaid (Medi-Cal) providers – awaiting Federal guidance.

Steven Henry: How will information flow from the Sub 1 to sub 3 to determine the appropriate dollar amount for the fund. What happens when the clients are unable to payoff the loan and are unable to qualify for the HITECH funding – if they don't achieve meaningful use.

Sajid Ahmed – Is there a priority for providers for the underserved communities?

A: I don't think ARRA specifies a priority but the targets and stakeholders need to be defined. An application to underwrite boutique clinics probably won't get funded, (or at least would not be the top priority of the fund).

Umberto – Can loans require vendors to be held accountable for "meaningful use." Then we would have fewer failures.

A: Great idea, should consider how to incorporate requirements in EHR vendor contracts.

Jonah: Do we need a loan fund for HIE's?

Cindy: Will there be more than one SDE. What is contemplation of entities and their structure?

Jonah: There will be one SDE per region, which will likely be state or multi-state. May or may not be an operating entity, may be a policy and oversight entity.

A: Need everyone to sign-up for a sub-committee by sending an email on the slide set.

### **Final Remarks**

Need everyone to join a subcommittee.